1992 given exclusively to Financial Express which appeared in its New Delhi edition of the 11th April, 1992 captioned "Centre accused of depriving Rajasthan of due resources" ;

(b) if so, what are the details thereof : arid

(c) what is the reaction of his Ministry thereto and how it is proposed to allow Rajasthan in its due legitimate shares in the receipts of the corporation taxes and surcharge on income tax, railway fares and freights and levy of the consignment tax etc. arid if not, the reasons theref or ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHANTARAM POTDUKHE): (a) Yes, Sir.

(b) and (c) Main points raised by the Chief Minister, • Rajasthan, in his interview to Financial Express in Jaipur on 10-4-1992 along with the comments of the Government of India are as under :

(i) *Allowing the Stales to levy consignment tax.*

Discussions and consultations have been held with State Govts, to evolve a commonly agreed proposal. The matter requires further consultations with the States.

(ii) *To make the receipts of corporation tax and surcharge on Income Tax shareable with the States.*

The Constitution does not provide for sharing of .-these proceeds with the States.

(iii) *Issue of the revision of royalty on major minerals*

Royalty rates on minerals were earlier notified on 5-5-1987 and recently revised 17-2-1992. After the last revision in 1987 the intex relistion was due in May, 1990. A Study 'Group was constituted by the Ministry Of' Miries in April, 1989 to consider the question of revision of royalty rates on minerals other than coal, lignite, sand for stowing and minor minerals. The Sudy Group submitted its report in April, 1990. Due to various court cases, the recom-rhendations of the Study Group were reexamined. After re-examination, revised rates were notified on 17 2-1992,

(iv) *Due share of Stales in the railway fares and freights.*

The grant in lieu of tax on Railway Passengers fares is being distributed to the States in accordance with the recommendation of the Finance Commission.

(v) *Suitable modification of the Gadgil Formula to deal State like Rajasthan differently.*

The Gadgil Formula was modified in National Development Council meeting in December, 1991. The modified formua goes in favour of financialy weaker States including Rajasthan.

(vi) *Share of States in Small Savings collections.*

With the recent announcement of certain measures of the Government aiming at encouraging small savings investments, it is expected that the States' share of loan entitlements against the small saving collections may increase further.

Raising Funds for Man Khurd—Belapur Railway Project

755. SHRI PRAMOD MAHAJAN : Will the Minister of FINANCE be pleased to states :

(a) whether it is a fact that Government of Maharashtra have asked for permission from Central Government to raise additional funds for Mankhurd-Belapur Railway Project from Open Market borrowing; and

(b) if so, what are the details thereof and what action has been taken by Central Government thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHANTARAM POTDUKHE) : (a) and (b) Maharashtra Government has sought additional ruarket borrowing of Rs. 100 crores for the CIDCO for this Railway project for the year 1991-92 and 1992-93. The market borrowing allocations for Central & State institutions for 1992-93 are yet to be decided by the Reserve Bank of India. The request of the State Government has been passed on to the Reserve Bank of India. As regards 1991-92 as the inves-tible resources were already fully allocated no allocation was made to CIDCO